GOVERNMENT OF INDIA
HUMAN RESOURCE DEVELOPMENT
LOK SABHA

STARRED QUESTION NO:128
ANSWERED ON:02.08.2005
EDUCATION CESS AND PRARAMBHIK SHIKSHA KOSH
Prabhu Shri Suresh Prabhakar;Verma Shri Ravi Prakash

Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

(a) the details of the funds collected through the education cess and the manner in which the Government utilised these funds;

(b) whether the Government has been able to fruitfully utilise the funds;

(c) if not, the changes Government proposes to introduce for the fruitful utilization of this fund;

(d) whether there is any dispute over the use of the money collected through education cess;

(e) if so, the details thereof;

(f) whether the Government has constituted a Group of Ministers (GoM) to resolve the dispute;

(g) if so, whether the said GoM has submitted its report;

(h) if so, the details thereof and the action taken thereon;

(i) whether the 'Prarambhik Shiksha Kosh' has been established;

(j) if so, the details thereof alongwith the details of the schemes where the fund is being utilised or intends to be utilised; and

(k) criteria fixed for utilization showing the allocation and utilization made so far, State-wise, scheme-wise?

Answer

MINISTER OF HUMAN RESOURCE DEVELOPMENT(SHRI ARJUN SINGH)

(a) to (k): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (k) OF THE LOK SABHA STARRED QUESTION NO.128 REGARDING `EDUCATION CESS AND PRARAMBHIK SHIKSHA KOSH` ASKED BY SHRI SURESH PRABHAKAR PRABHU AND SHRI RAVI PRAKASH VERMA

(a): As per the Receipts Budget of 2005-06, estimated receipts from the Education Cess in 2004-05 and 2005-06 are as follows: -

Year	Cess Receipts
	(Rs. in crore)
2004-05	5010.00 (Revised Estimates)
2005-06	6975.00 (Budget Estimates)

With the imposition of the Education Cess it became possible to allocate an extra Rs.3232 crore for Elementary Education through first Supplementary Grants during 2004-05, and to increase BE, 2005-06, for Elementary Education by Rs.6492 crore over BE, 2004-05.

(b): Yes, Sir.

(c): Does not arise.

(d) to (k): Education Cess has been levied through the Finance (No.2) Act, 2004 to fullfil the commitment of the Government to provide and finance universalised quality basic education, and Cess receipts are being utilised accordingly. It has been decided to establish a Prarambhik Shiksha Kosh to properly account for the receipt and utilisation of Education Cess. Procedural details in regard to the Kosh are being worked out. Allocations to States are not being made separately against the Cess. Assistance to them is released under individual schemes related to Elementary Education (mainly Sarva Shiksha Abhiyan, Mid-Day Meal and Kasturba Gandhi Balika Vidyalaya) in accordance with the guidelines of such schemes and against their respective budgetary allocations.